155 FERC ¶ 61,138
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Cheryl A. LaFleur, Tony Clark,
and Colette D. Honorable.

Monroe Gas Storage Company, LLC — Docket No. RP16-591-000

ORDER ON PETITION FOR DECLARATORY ORDER

(Issued May 4, 2016)

1. On February 5, 2016, Monroe Gas Storage Company, LLC (Monroe) filed a petition for declaratory order (Petition) requesting that the Commission grant Monroe the authority to provide firm wheeling transportation service at market-based rates. To support this request, Monroe filed a market power study and *pro forma* tariff records setting forth the terms and conditions of service necessary to implement its proposal. Monroe also filed a market power study supporting the continued use of market-based rates for the existing natural gas storage and hub services currently performed by Monroe. As discussed below, the Commission grants market-based rate authority for the proposed firm wheeling service and allows continued use of market-based rates for the existing storage and hub services subject to the conditions set forth below. The Commission also directs Monroe to file actual tariff records to implement its proposal.

Background

2. Monroe states that it is a wholly owned subsidiary of Cardinal Gas Storage Partners LLC (Cardinal),[1] and is currently providing storage services from a natural gas storage facility in Monroe County, Mississippi under certificate authorizations issued on December 21, 2007.[2] According to its market power study, Monroe converted Four Mile

[1] Monroe states in the Petition that Cardinal also owns three other natural gas storage projects operating under market-based rates, Perryville Gas Storage LLC (Perryville), Cadeville Gas Storage LLC (Cadeville), and Arcadia Gas Storage, LLC (Arcadia), all located in Louisiana.

[2] *Monroe Gas Storage Co., LLC,* 121 FERC ¶ 61,285 (2007) (2007 Order).

Creek Field, a depleted gas field, to underground natural gas storage. The facility has a certificated working gas storage capacity of 12,000 MMcf and a maximum deliverability of 275 MMcf per day. The facility includes approximately 23 miles of 24 inch bidirectional header pipeline and 50 feet of 8 inch delivery-only pipeline. The header includes three interconnects, including bidirectional connections to two interstate gas pipelines, Tennessee Gas Pipeline Company, L.L.C. (Tennessee) 500 leg and Texas Eastern Transmission, LP (Texas Eastern), plus a delivery-only connection to an intrastate pipeline, Atmos Pipeline - Texas (Atmos). These interconnects have a total receipt capacity of 1,000 MMcf per day and total delivery capacity of 1,050 MMcf per day. The Monroe header currently has 500 MMcf per day of throughput capacity available for firm wheeling.

3. Monroe proposes to offer firm wheeling service to customers in the Gulf Coast Supply Region. Monroe proposes to charge market-based rates for its new firm wheeling service under the provisions of Part 284, Subpart M of the Commission's regulations.[3] This service will be in addition to Monroe's existing services offered at market-based rates including firm and interruptible natural gas storage services and interruptible hub and wheeling services.[4] Monroe states the Commission has recently approved this type of firm wheeling service for other natural gas storage providers.[5] Monroe further states that the addition of this new service will respond to customer requests for this service and will greatly enhance the commercial opportunities for Monroe, and provide flexibility in the market.

4. Monroe states that, for purposes of its study and analysis, it has considered storage services and wheeling services as two distinct product markets. Therefore, Monroe has prepared two separate market power studies, one for each product market. Monroe states it first updated the 2011 market power analysis of Monroe's storage capacity and deliverability, as well as its affiliates, including Arcadia, Cadeville, and Perryville, to demonstrate that continued market-based rate authorization for Monroe's firm and interruptible storage services and for interruptible hub services remains appropriate.

5. Monroe's firm wheeling market power study provides an evaluation of the pipeline interconnects and hubs as well as an analysis of pipeline capacity. The pipeline interconnect evaluation includes the matrix or "bingo card" that identifies the pipelines

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[3] 18 C.F.R. pt. 284, Subpart M (2015).

[4] 2007 Order, 121 FERC ¶ 61,285 at PP 29-30.

[5] *Golden Triangle Storage, Inc.*, 152 FERC ¶ 61,158 (2015) (*Golden Triangle*); *Tres Palacios Gas Storage LLC*, 153 FERC ¶ 61,331 (2015) (*Tres Palacios*).

interconnected directly or indirectly to Monroe and the available capacity of each interconnect. Monroe asserts that the storage hub evaluation shows numerous alternatives for shippers to move gas between pipelines using firm and interruptible transportation at these hubs. Monroe further asserts that the hub analysis also provides Monroe's market share and the market concentration of hubs in the relevant geographic market. In addition, Monroe states it has included a summary of the capacities of the pipelines directly or indirectly attached to Monroe that demonstrates that shippers have significant pipeline capacity available to them in this region beyond the capacity provided on the Monroe header. Monroe asserts these analyses demonstrate that shippers have good alternatives to Monroe's proposed firm wheeling service via access to multiple pipeline receipt and delivery interconnects in close proximity and that Monroe does not show any ability to exercise market power related to firm wheeling services. Monroe thus concludes that it is unlikely that it would attempt to increase its price for firm wheeling services above competitive levels.

6. Monroe asserts that based on this analysis, it satisfies the Commission's standards for market-based rate authority by demonstrating that Monroe does not have the ability to increase prices or discriminate unduly in price, terms, or conditions of services for firm wheeling services and should be granted authorization to charge market-based rates for firm wheeling service.

Notice and Interventions

7. Public notice of the filing was issued on February 8, 2016. Interventions and protests were due on or before February 17, 2016. Pursuant to Rule 214,[6] all timely filed motions to intervene and any unopposed motion to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

Discussion

Firm Wheeling Service

8. Monroe requests authority to add a new firm transportation wheeling service to its existing storage and hub services and to charge market-based rates for up to 500 MMcf per day of its proposed service. The Commission's main concern in granting a pipeline the use of market-based rates for transportation is the presence that the pipeline has in the relevant marketplace. In other words, if the pipeline has market power over a service in

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[6] 18 C.F.R. § 385.214 (2015).

the relevant marketplace, then the Commission will not permit it to charge market-based rates for that service.

9. Pursuant to the *Alternative to Traditional Cost-of-Service Ratemaking for Natural Gas Pipeline*,[7] the Commission has developed a framework for evaluating requests for market-based rates. This framework has two principal purposes: (1) to determine whether the applicant can withhold or restrict services and, as a result, increase price by a significant amount for a significant period of time; and (2) to determine whether the applicant can discriminate unduly in price or terms and conditions of service. To find that an applicant cannot withhold or restrict services, significantly increase prices over an extended period, or unduly discriminate, the Commission must find either that there is a lack of market power[8] because customers have good alternatives,[9] or that the applicant or the Commission can mitigate the market power with specified conditions.

10. Consistent with the methodology provided by the *Alternative Rate Policy Statement*, the Commission's analysis of whether Monroe has the ability to exercise market power includes three major steps. First, the Commission will review whether Monroe has specifically and fully defined the relevant markets to determine which specific products or services are identified, and the suppliers of the products and services that provide good alternatives to the applicant's ability to exercise market power.[10] Additionally, as part of this first step, the Commission will identify the relevant geographic market. Second, the Commission will assess Monroe's market share and

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[7] 74 FERC ¶ 61,076, *reh'g denied*, 75 FERC ¶ 61,024 (1996), *petitions for review denied and dismissed sub nom. Burlington Resources Oil & Gas Co. v. FERC*, 172 F.3d 918 (D.C. Cir. 1998) (*Alternative Rate Policy Statement*), *criteria modified, Rate Regulation of Certain Natural Gas Storage Facilities*, FERC Stats. & Regs. ¶ 31,220, *order on clarification and reh'g*, 117 FERC ¶ 61,190 (2006).

[8] The Commission defines "market power" as "the ability of a pipeline to profitably maintain prices above competitive levels for a significant period of time." *Alternative Rate Policy Statement*, 74 FERC at 61,230.

[9] A "good alternative" is an alternative that is available soon enough, has a price that is low enough, and has a quality high enough to permit customers to substitute the alternative for an applicant's service. *Id.* at 61,231; s*ee also Golden Triangle*, 152 FERC ¶ 61,158 at P 10, n.7.

[10] The relevant product market consists of the applicant's service and other services that are good alternatives to the applicant's services. *Id.*; *see also Golden Triangle*, 152 FERC ¶ 61,158 at P 11, n.8.

market concentration. The Commission uses market share and the Herfindahl-Hirschman Index (HHI) as screens in assessing whether a pipeline has the ability to exercise market power in defined product and geographic markets. However, HHIs are just one factor the Commission may evaluate.[11] The *Alternative Rate Policy Statement* recognizes that having a large market share in a concentrated market does not constitute market power if ease of entry and other competitive factors can prevent the applicant from exercising significant market power.[12] Third and lastly, the Commission will evaluate other relevant factors.

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[11] For example, the Commission has accepted an HHI of 1,800 as the threshold indicating the potential ability for an applicant to exercise market power in cases where the HHI was higher than 1,800, the Commission has performed further review to determine whether other competitive factors nevertheless will prevent the applicant from being able to exercise market power. *See, e.g., UGI Storage Co.*, 133 FERC ¶ 61,073 (2010); *Arlington Storage Co., LLC*, 125 FERC ¶ 61,306 (2008); *Rendezvous Gas Services, L.L.C.*, 112 FERC ¶ 61,141 (2005).

[12] In the *Alternative Rate Policy Statement*, the Commission states that its consideration of a market-based rate proposal will include an examination of market concentration. Further, it explained that:

> [T]o measure market concentration, one generally considers the summary measure of market concentration known as the Herfindahl-Hirschman Index (HHI). If the HHI is small then one can generally conclude that sellers cannot exercise market power in this market. A small HHI indicates that customers have sufficiently diverse sources of supply in this market that no one firm or group of firms acting together could profitably raise market price. If the HHI is higher than additional analysis may be needed to determine if the seller can exercise market power.
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> The Commission will analyze the HHI calculation for the relevant markets. The HHI will be evaluated for each relevant path and/or origin market and each destination market utilizing the relevant data for each mainline receipt point (origin market) and each delivery point (destination market). If an applicant wishes to argue for either a broader or narrower market definition, it should also include calculations for its market definitions. Only sales or capacity figures associated with good alternatives should be used in

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Relevant Geographic and Product Markets

11. In its firm wheeling service market power study, Monroe identifies the relevant product market as firm and interruptible transportation services, involving the transfer of natural gas from one interconnected pipeline to another.[13]

12. Monroe identifies the relevant geographic market for its firm wheeling service as the Gulf Coast Supply Region, which includes states of Louisiana, Mississippi, Alabama, and portions of east and south Texas. Monroe states the facility is "located in a highly competitive market where numerous storage facilities and services exist for potential customers."[14] Monroe asserts that the Commission has acknowledged the competitiveness of this region in prior orders, stating "we have determined that market power in a production area is less of a concern due to the numerous alternative storage facilities operating in competition with one another."[15]

13. The Commission agrees that the relevant geographic market for Monroe's proposed firm wheeling service is the Gulf Coast Supply Region, which is similar to the geographic area identified by the Commission in Monroe's prior applications for market-based storage and interruptible transportation rate authority.

14. With respect to the product market, the Commission has traditionally used a matrix, referred to as a "bingo card," in evaluating whether shippers of an applicant seeking market-based rate authority for interruptible wheeling transportation service could obtain the same services from alternative providers.[16] The bingo card identifies all possible interconnections for pipelines attached to a hub and indicates whether good alternatives exist to the subject service. In essence, the Commission relies upon the bingo

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> calculating the HHI. In addition, applicants should aggregate the capacity of affiliated companies into one estimate for those affiliates as a single seller.

Alternative Rate Policy Statement, 74 FERC at 61,234 (footnote omitted); s*ee Golden Triangle*, 152 FERC ¶ 61,158 at P 11 & n.10.

[13] Monroe Ex. 1 at 13.

[14] *Id.* at 10 (citing *Petal Gas Storage, L.L.C.*, 118 FERC ¶ 61,253 (2007)).

[15] *Id.* at 11 (citing *Enstor Houston Hub Storage and Transportation, LP*, 123 FERC ¶ 61,019 (2008)).

[16] *E.g.*, *Tres Palacios*, 153 FERC ¶ 61,331 at P 14.

card analysis to determine whether shippers can avoid the pipeline interconnections provided by the applicant by utilizing alternative interconnections available between the pipelines that are directly or indirectly connected to the applicant.[17]

15. Similar to the analysis used for determining market-based interruptible transportation wheeling, the Commission finds that a bingo card analysis should be used to determine whether good alternatives exist for the firm transportation wheeling service proposed by Monroe. The Commission has relied on this type of analysis to determine whether shippers can avoid the pipeline interconnections described by Monroe by using alternative interconnections between the pipelines that are directly or indirectly connected to the applicant.[18]

16. Monroe includes a bingo card analysis as a part of its market power study for firm wheeling transportation service. The bingo card analysis for the project is listed in Exhibit 8 of Monroe's application and shows that there are three pipelines directly connected to the Monroe header system.[19] Monroe explains these pipelines are directly interconnected to each other at multiple points throughout the network system of gas pipelines traversing the Gulf Coast Supply Region, as detailed in Exhibit 9. Monroe states the filled-in bingo card shows that shippers on each pipeline have an abundance of options to wheel gas from one pipeline to another pipeline should they choose to avoid using Monroe.

17. Under this analysis, a completely filled in "bingo card" demonstrates that shippers will not be dependent on Monroe to transport natural gas in the Gulf Coast Supply Region because the area contains a number of other pipeline interconnections and alternative paths available to shippers. The bingo card analysis also demonstrates that customers can avoid the Monroe header system entirely by using other interconnections readily available between the pipelines that are now connected to the Monroe header system. The transportation alternatives available to potential shippers through the network of pipelines in the Gulf Coast Supply Region make it highly likely that the rates charged by Monroe for firm wheeling service will remain at fully competitive levels. The Commission concludes that the completely filled in bingo card properly identifies numerous good alternatives to the service proposed by Monroe.

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[17] *Id.*

[18] *See UGI Storage Co.*, 138 FERC ¶ 61,051, at P 12 (2012). *See also Golden Triangle*, 152 FERC ¶ 61,158 at P 15; *Tres Palacios*, 153 FERC ¶ 61,331 at PP 14-17.

[19] The three corporate entities directly connected to the Monroe header system are Tennessee, Texas Eastern, and Atmos.

Market Share and Market Concentration

18. Monroe states there are a total of 27 hubs in the Gulf Coast Supply Region. Monroe further states the hub map in Exhibit 10 shows the approximate location of the hubs in the Gulf Coast Supply Region and the multi-direction of gas flow on the pipelines connecting to the numerous hubs. Monroe states it has calculated its market share and the HHI market concentration for the 27 hubs located in the Gulf Coast Supply Region. Monroe asserts that this region is a highly competitive area where many pipelines transport gas from multiple supply basins, including numerous shale plays, to end-use markets (residential, industrial, and electric generation) and export markets, including Gulf Coast LNG export terminals and pipelines to Mexico.[20]

19. Monroe states that its facility directly connects with three pipelines with three delivery connections and two receipt connections. Monroe further states that it has only 1.3 percent of the total delivery and receipt capacity available from the hubs in this region. Monroe states that calculating HHIs from the market shares for these 27 hubs generates an HHI of 608 based on a total delivery capacity of 83,241 MMcf per day, and an HHI of 488 based on a total receipt capacity of 77,352 MMcf per day. Monroe further states both of these HHI values are well below the 1,800 threshold that is recognized by the Commission as the level above which warrants further review concerning market power.

20. Monroe asserts that this is an extremely competitive, established market for the hub services, including wheeling. Monroe further asserts there are multiple vendors offering the same services that it seeks to offer to its customers. Monroe concludes there are numerous good alternatives to its firm wheeling service.

21. Monroe also evaluates the pipeline transportation capacity connected to it. Monroe states it has prepared a conservative view of available capacity by including the throughput capacity of the three pipelines directly connected to Monroe plus the capacity of the pipelines indirectly connected to Monroe via interconnects to Texas Eastern within Zone 1 and the 500 leg of the Tennessee system. Monroe states that Exhibit 15 shows that there is 20,294 MMcf per day of throughput capacity on the pipelines directly or indirectly connected to Monroe, of which 500 MMcf per day is available for firm wheeling service at Monroe. Monroe further states that the market share of the 500 MMcf per day available for firm wheeling on Monroe is 2.46 percent of the total pipeline throughput capacity and the HHI of capacity in this limited region is 1,193.

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[20] Monroe Ex. 1 at 15.

22. We find that Monroe has satisfactorily shown that, within the relevant market, its prospective market share is low and that the market's concentration is below the threshold the Commission would require before it would need to undertake closer scrutiny. As set forth above, in order to ascertain whether additional scrutiny is needed, the Commission examines concentration in the relevant market using the HHI. The *Alternative Rate Policy Statement* states that a HHI of less than 1,800 indicates that sellers cannot exert market power because customers have sufficiently diverse alternatives in the relevant market.[21] If the HHI is above 1,800, the Commission will give the applicant more scrutiny in order to make a determination about a seller's ability to exercise market power because the market is more concentrated. Here, the HHI for the hubs in the region delivery capacity is 608 and the receipt capacity is 488. Monroe also states that the hubs' market share receipt and delivery capacity is 1.3 percent of the Gulf Coast Supply Region. Monroe's market share is 2.46 percent of the Gulf Coast Supply Region and the HHI of capacity in this limited region is 1,193.

23. These low market share and market concentration levels demonstrate that Monroe lacks market power. The HHI reflected by Monroe's study reflects that it is less likely to be able to exert market power because customers have sufficiently diverse alternatives in the relevant market. Monroe's HHI levels of market concentration are well below the 1,800 threshold level, which demonstrates that it will not be able to exercise market power in the relevant market area. Furthermore, Monroe's market share supports a finding that it lacks market power.

<u>Other Relevant Factors Mitigating Potential Market Power</u>

24. In addition to market share and concentration, Monroe asserts that other factors support the conclusion that it will not be able to exercise market power in the Gulf Coast Supply Region. For example, ease of entry into a market inhibits the potential for any given participant to exercise market power.[22] Monroe asserts there are many other relevant factors that mitigate any remaining market power concerns. Monroe provides additional evidence on other relevant factors showing that the abundance of storage facilities in this supply region indicates the ease of entry into this area and makes it virtually impossible for any facility or operator to exercise market power.[23]

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[21] *Alternative Rate Policy Statement*, 74 FERCat 61,235.

[22] *Id.* at 61,234.

[23] Monroe Ex. 1 at 11 (citing *Moss Bluff Hub Partners, L.P.*, 80 FERC ¶ 61,181, at 61,747 (1997)).

25. Monroe states there have been 3,840 new pipeline or expansion projects approved by the Commission since 2009 in the Gulf Coast Supply Region. Monroe asserts that, if all these projects are built, this would result in an incremental 30,602 MMcf per day of throughput capacity on 1,391 miles of new or expanded pipelines. Monroe also states there are 20 pipeline projects, either new or expansions that have been filed and are under review with Commission. Monroe claims these pending projects have the potential to add another 18,925 MMcf per day of throughput capacity and 798 miles of new or expanded pipelines.

26. Monroe states it is located in an area that has no significant barriers to entry and as such would not be able to raise prices above competitive levels for an extended period of time without other pipelines entering the market and increasing competition. Monroe further states that it only offers interruptible wheeling at market-based rates and has no existing firm wheeling service or customers. Monroe asserts that as a new entrant in the provision of firm wheeling, it must offer this new service at terms and price that is competitive with the numerous alternatives for transferring gas from one pipeline to another available in this region.

27. The Commission agrees with Monroe that barriers to entry are likely to be low in the relevant market and that alternative products are available to shippers in the relevant geographic area. Accordingly, upon examination of the material and studies presented by Monroe, the Commission finds that Monroe lacks significant market power in the relevant geographic area for the proposed market-based firm transportation service. Further, for the reasons discussed above and given the fact that the Monroe proposal for market-based rates is unopposed, the Commission accepts Monroe's request to charge market-based rates for firm wheeling transportation service subject to the conditions set forth below.

Storage and Hub Related Services

28. Monroe asserts that there should be no change to its existing authority to continue to charge market-based rates for storage and hub related services.[24] In its updated storage and related hub services market power study, Monroe identifies the relevant product market as underground natural gas storage. As defined in Monroe's wheeling service study, the relevant geographic market for Monroe's storage and hub related services is the Gulf Coast Supply Region.

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[24] Monroe notified the Commission of a changed circumstance due to the increased capacity of its Cadeville affiliate in Docket No. CP07-406-000.

29. Monroe asserts the market share in the Gulf Coast Supply Region associated with total Cardinal storage capacity, which includes Monroe, Arcadia, Cadeville, and Perryville, is only 6.1 percent for working gas and 7.4 percent for maximum deliverability.[25] Monroe further asserts that these market shares are relatively small compared to other storage operators in the region.

30. Monroe asserts that, because there are a vast number of existing storage facilities in this region, the HHI values are low, specifically 1,108 for working gas capacity and 800 for maximum deliverability.[26] Monroe states both measures are substantially below the Commission's 1,800 benchmark, which indicates a lack of market concentration.

31. In addition to market share and concentration, Monroe asserts that other factors support the conclusion Monroe will not be able to exercise market power in the Gulf Coast Supply Region. Monroe states the abundance of storage facilities in this supply region indicates the ease of entry into this area and makes it virtually impossible for any one facility or operator to exercise market power.[27]

32. Monroe claims since 2000 there have been over 114 storage projects, either new facilities or expansions of existing facilities, which were granted certificates by the Commission. Monroe states 62 of these projects are located in the Gulf Coast Supply Region with an aggregate working gas capacity of 888 billion cubic feet, which represents 66 percent of the total working gas capacity for all projects certificated since 2000. Monroe asserts this volume of storage development clearly illustrates the ease of entry for storage developers in this region. Additionally, Monroe states there are 14 new storage projects or expansions planned in this region, some of which have been approved or are pending approval, and may be placed into service within the next few years. Monroe states that, although many of these pending projects are on hold due to the economic conditions related to the downturn in commodity prices, these projects are poised to re-activate their development once the market conditions become more favorable.

33. In light of the above information, we conclude that the barriers to entry to the storage market in the relevant market area are low. We further conclude that Monroe will have a small market share in its market region and that it lacks storage and hub service

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[25] Monroe Ex. 1 at 11.

[26] *Id*.

[27] *Id*.

market power. Therefore, Monroe is permitted to continue to charge market-based rates for storage and hub related services subject to the conditions set forth below.

Change in Circumstances

34. The Commission will require Monroe to notify the Commission if future changes in circumstances significantly affect its present market power status. Any event which would affect Monroe's ability to withhold or restrict services or increase its ability to discriminate unduly in price or terms of service must be reported to the Commission within 10 days of acquiring knowledge of any such changes.[28] For example, significant changes would include, but are not limited to: (1) an expansion of capacity; (2) the acquisition of additional transportation facilities; (3) an affiliate providing transportation services in the same market area; and (4) Monroe or an affiliate acquiring an interest in or being acquired by an interstate pipeline. Failure to timely file a change in circumstance report or failure to comply with the reporting requirements would constitute a violation of the Commission's regulations. The Commission also reserves the right to require an updated market power analysis at any time.[29]

Tariff Provisions

35. Monroe proposes *pro forma* tariff records to incorporate its proposed firm wheeling service pursuant to Rate Schedule FWS and the corresponding FWS Service Agreement. Monroe also proposes numerous conforming changes to its existing tariff sections for Rate Schedule FWS service that refer to additional or modified defined terms that describe the services provided by Monroe or reference the individual rate schedules.

36. The Commission finds the language in the *pro forma* tariff records is acceptable and directs Monroe to file actual tariff records reflecting such language not less than 30 days before the firm wheeling service at market-based rates is to commence. Monroe

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[28] When Monroe reports such a change in circumstances, it should make this filing with the Commission through the eTariff portal using either its baseline docket number or a recent filing made through eTariff.

[29] *See Arlington Gas Storage Co., LLC*, 147 FERC ¶ 61,120, at P 39 (2014). *See also Golden Triangle*, 152 FERC ¶ 61,158 at P 24.

is directed to comply with the Commission's electronic filing requirements set forth in Order No. 714[30] and Part 154 of the Commission's regulations.[31]

Waiver of Cost-Based Regulations

37. In the instant proceeding Monroe requests approval of all the waivers previously granted to Monroe in the 2007 Order related to its authorization to charge market-based rates remain in effect after approval of this petition.

38. The Commission's action in the instant proceeding does not affect its previous waiver of the cost-based rate regulations granted to Monroe.[32] Accordingly, the Commission will permit the continuation of the previously granted waivers and, for good cause shown, will also allow the cost-based regulations to be waived for the new market-based rate transportation service accepted herein for the Monroe system.

The Commission orders:

(A) The petition for declaratory order by Monroe requesting authority to provide firm wheeling transportation service at market-based rates is granted subject to the conditions in this order.

(B) Monroe is permitted to continue to provide natural gas storage and hub service at market-based rates subject to the conditions in this order.

(C) The language proposed in the *pro forma* tariff records is accepted subject to Monroe filing actual tariff records reflecting the approved language at least 30 days prior to the date the firm wheeling transportation service is to commence.

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[30] *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).

[31] 18 C.F.R. § 154.4 (2015).

[32] *See Golden Triangle*, 152 FERC ¶ 61,158 at P 27.

(D) Waiver of certain cost-based regulations is granted as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.